Hello, customers and teammates!

I’ve been traveling quite a bit the last few months, and so I’ve become quite familiar with in-flight instruction. In the event of an emergency, it’s best practice to put on your own oxygen mask prior to assisting others. Likewise, as we heard a summary of our annual MSR public perception survey results at this month’s Board meeting, it became clear to me we can only achieve outstanding customer service by first making sure we have an effective and well-supported NPPD team.   
  
We aspire toward a culture of absolute engagement and inclusivity, but as with anything, it requires commitment and continuous improvement. While survey results relating to employee engagement have been consistently high, with teammates showing motivation and a deep understanding of our mission and vision, there are many variables to consider. One: Do we have the right teammates and teams in place to successfully drive our organization forward? And, two: Do our teammates connect with and feel purposeful in their role in our future as we commit to providing further value to customers?  
  
Organizations everywhere are grappling with the after-effects of the pandemic and how it dramatically changed the relationship employees have with their employers. Other variables, like many long-term teammates retiring, millennials and gen Z teammates with different motivations taking the lead, and the pandemic altering so much of how we live and work, are greatly influencing these data points. How do we best engage our most valuable asset – our team – in a world vastly different today than it was four years ago, especially as the dynamics of our industry are changing at a rapid pace?   
  
Survey results revealed that year over year, teammates have rated NPPD as excellent in areas spanning competitive pay, culture, and personal career motivation and business support. Yet, though not statistically significant, we’ll be exploring a slight downtick in teammate engagement this year and how we can ensure our team has the right information, training and tools to not just do their jobs, and do them well, but also continue to find joy and fulfillment in their careers. Doing so will allow us to best serve our customers, who are our sole reason for being.  
  
Ultimately, survey results showed we have continued our strong commitment to excellence in service of our customers, and the relationships we’ve enhanced throughout the last few years are proof of that. Overall satisfaction with NPPD has remained high across all groups since 2019, with at least nine out of 10 customers giving “good” or “excellent” ratings. This is something to celebrate, and we should take this time to acknowledge how far we’ve come in these efforts, because everyone at the District has adopted a hands-on approach in our ability to improve over the last year in areas relating to customer satisfaction and NPPD’s reputation and trust. NPPD ranks higher overall than other utilities in the Midwest. And that is because our public power model values our people – both those who provide that safe, reliable and affordable power every day, and those it’s delivered to.

We’ll continue to dig into these results and share them with customers and teammates, including what actions will be taken so we can stay on the path to excellence by tailoring customer and employee experiences. And, I’m excited for the recent organizational changes that will help lead these efforts as Scott Walz joins the executive team as vice president of energy delivery and Mick Spencer and Art Wiese are promoted to executive vice president and chief operating officer and vice president of energy production, respectively, on July 1.   
  
It's said if a business isn’t growing, it’s dying. NPPD’s Research and Development initiatives play a huge role in our ability to retain our position as industry leaders. Partnerships are an integral way we can improve upon how we generate and deliver energy, provide sought-after energy solutions, enhance our communities through economic development efforts, and improve Nebraskans’ quality of life. The $1.5 million in annual funding we provide the University of Nebraska-Lincoln’s Nebraska Center for Energy Sciences Research, as well as the time, dialogue and expertise many of our teammates and Board members devote to the Center, is put toward projects and new technologies that accomplish all these goals. The return in investment is well worth that which is provided, both financially and through remarkable innovations that positively impact our industry. These projects are diverse, spanning smart grid cybersecurity enhancements, electric tractors, co-applications of biochar and biosolids for carbon sequestration and even biohydrogen, or living organisms that produce hydrogen.  
  
Of course, NPPD is actively involved in several other partnerships and projects that could influence future operations as we continue work on our white paper for the Midcontinent Clean Hydrogen Hub, the use of multi-fueled reciprocating internal combustion engines, a water electrodialysis reversal project at Gerald Gentleman Station, and much more.  
  
Next, the first session of the 108th Legislature is officially adjourned, with a total of 31 bills passed out of the 820 bills introduced, including a hydrogen hub grant totaling $250,000 for fiscal years 2023-2024 and 2024-2025 for engineering and modeling work. Interim studies to be completed this year relate to the feasibility of constructing and operating small modular nuclear reactors in Nebraska, examining economic and climate impacts of the current reliance on fossil fuel energy generation in the state, and examining methods to promote statewide development of electric vehicle charging infrastructure.

As was discussed at the May Board meeting, a new methodology for the Retail Rate Stabilization Fund has been developed which establishes a minimum balance and more regularly recognizes various risks and inputs. This methodology was approved last week.

NPPD saw good results with its 2023 Series A Bond Sale to refinance existing R-Project debt. Bond pricing was executed May 31, with $149.6 million being the total bond issue amount. NPPD will close on the bonds June 22.

Financially for the month of May, NPPD realized a surplus of $19.3 million due to better than expected off-system sales and activity in the Southwest Power Pool, as well as higher demand revenues from wholesale customers. These favorable variances were partially offset by unfavorable variances for purchase power and fuel costs. Year-to-date May, there is a surplus of $33.3 million.

Let’s close on NPPD’s most important value – safety. To date, teammates have documented eight OSHA recordable injuries and six DART injuries and preventable vehicle accidents apiece. June is National Safety Month, and I encourage teams to recommit to safety by participating in the *EZ News* challenge to submit group or individual selfies wearing safety T-shirts, polos and gear. We have the opportunity to be positive role models for each other in our personal and professional lives. As temperatures rise and you work and play outdoors, please also consider heat stress management. Take the proper precautions to cool down and take breaks when needed, wear sunscreen, protective clothing and sunglasses, and drink plenty of water. Taking proper care of yourself will always help you take better care of others along the way.  
  
Until next time, stay healthy, and stay safe.  
  
Tom